

3.0 HOUSING

The Housing Element is one of seven required General Plan elements. There are specific guidelines developed by the State of California for subjects that must be included in a Housing Element. These guidelines are identified in Article 10.6 of the State of California Government Code. The 2002 Housing Element was adopted by the Town Council in October 2002, and was certified by the State Department of Housing and Community Development in December 2003.

3.1 INTRODUCTION

The intent of the Town of Los Gatos is to provide adequate housing for Town citizens, regardless of age, income, race, or ethnic background. The Town encourages conservation and construction of housing adequate for future populations and replacement needs, consistent with environmental limitations and in proper relationship to community facilities, open space and transportation and small-town character.

The Housing Element establishes policies that will aid Town officials in daily decision-making and sets forth implementation measures that will assist the Town in realizing its housing goals.

The Housing Element was developed based on the information contained in the Housing Element Technical Appendix, dated September 2002.

"A decent home and suitable living environment for all" has been identified as a goal of the highest priority by the California State Legislature. Recognizing that local planning programs play a significant role in the pursuit of this statewide goal; and to assure that local planning effectively implements statewide housing policy, the Legislature has mandated that all local jurisdictions and counties include a housing element as part of their adopted General Plan.

The State's General Plan law requires that the Housing Element be updated at least every five years. The following Housing Element reflects the 2001 regional housing needs determinations prepared by the Association of Bay Area Governments (ABAG) which were revised in 1995. The revised ABAG needs reflects the period from January 1, 1999 to June 30, 2007.

The element establishes goals, policies and programs that provide incentives for the development of affordable housing in order for the Town to achieve its share of affordable housing. From 2001 to Spring 2002 the Town approved 283 additional housing units. During the 1999-2002 period, 72 units affordable units were built or approved. When evaluating the success of the Town's housing policies, it is important to recognize that the Town has been relatively successful in producing the Town's "fair share allocation" of low income housing even though the cost of land is approximately a million dollars per acre.

The updated Housing Element was developed to be consistent with the other elements of Los Gatos' General Plan. The Town will continue to require that all residential development proposals, General Plan and Specific Plan amendments be consistent with the Town's Housing Element.

The development of the Housing Element Technical Appendix involved numerous meetings of the Town's General Plan Committee over a one year period. These meetings were open to the public and the agendas were posted at Town Hall and the Public Library to encourage public participation.



The review process and adoption of this element included a community meeting, and public hearings of the Planning Commission and Town Council, all of which were open to the public for their input. A 45 day public review period was advertised in the local newspaper (Los Gatos Weekly-Times), as were the community meeting and Planning Commission and Town Council public hearings. All public meeting agendas were posted. Drafts of the Housing Element Technical Appendix were available at Town Hall, the public library and on the Town's web site.

3.2 GOALS, POLICIES, IMPLEMENTING STRATEGIES

The following is a summary of the major housing issues identified for the Town of Los Gatos for the 2002-June 30, 2007 time frame. These issues are listed in order of priority with the initial issues being the most significant.



Adequate sites for housing

ISSUE: 1

Adequate Sites for Housing.

The Town needs to provide adequate sites for 125 dwelling units to meet its 2002-2007 Regional Housing Need. The 125 unit estimate includes 59 very low income units and 66 moderate income units. With opportunities to apply Mixed Use or a density bonus, there is sufficient land zoned at appropriate densities with infrastructure available to meet the projected need for very low and moderate income units.

Goal:

- H.G.1.1 Expand the choice of housing opportunities for all economic segments of the community through a variety of housing types and sizes, including a mixture of ownership and rental housing.

Policies:

- H.P.1.1 Continue to designate sufficient residentially-zoned land at appropriate densities to provide adequate sites to meet Los Gatos' new construction need for 2002-2007.
- H.P.1.2 Maintain and/or adopt appropriate land use regulations and other development tools to encourage the development of affordable housing.

- H.P.1.3 Develop and utilize all available funding resources in order to provide the maximum amount of affordable housing as feasible.

Implementing Strategies:

- H.I.1.1 Adequate Land Inventory: The Town will ensure that there is sufficient land available at appropriate zoning categories to meet its need for very low and moderate income households. In order to achieve this, the Town will assess the progress of the development community in providing very low income units during the latter part of 2003. If it appears that an insufficient number of very low, low and moderate income units are being produced, the Town will consider rezoning up to five acres of land within a half mile radius of the future Vasona light rail station to a higher density (refer to the target area map in the Housing Element Technical Appendix).

Time Frame: 2002-2007: Continue to maintain an adequate land inventory that meets 2002-2007 Regional Housing Needs goals.

Late 2003: Evaluate need to rezone up to five acres of vacant or underutilized land to a higher density and/or apply affordable housing overlay zone(s).

Responsible Party: Community Development Department

- H.I.1.2 Density Bonus: Continue to provide up to a 100% density bonus for developments that include housing for elderly, handicapped and/or very low and low-income households. Eligibility requirements are as follows:

- A. All housing projects on lots in excess of 40,000 square feet must be processed as Planned Developments in order to receive a density bonus.
- B. Housing restricted to elderly, handicapped and very low and low income residents shall be eligible for a density bonus up to 100% of the units permitted by the land use designation as shown on the land use plan or any specific plan and incentives based on the State Density Bonus law.
- C. Town density bonuses will also be granted for residential projects that actively facilitate and encourage use of transit or directly provide transit services to residents.
- D. Concessions to the Town's density, traffic and parking regulations may be granted for mixed-use projects that provide residential units in non-residential zones.
- E. BMP (Below Market Price) units are not included when calculating density for a property.

The Town will develop marketing materials that will ensure that Town staff and developers are aware of the various features of the density bonus program.

Time Frame: 2002-2003: Develop marketing materials
2002-June 30, 2007: Implement program

Responsible Party: Community Development Department



- H.I.1.3 Development Standards: Continue to review and, where feasible, reduce development standards (e.g. parking requirements, open space requirements, etc.) for housing developments that will guarantee affordable units on a long-term basis for low and moderate-income households.

Time Frame: 2002-June 30, 2007

Responsible Party: Community Development Department

- H.I.1.4 Mixed Use Developments: Encourage mixed-use developments that provide affordable housing close to employment centers and/or transportation facilities.

Time Frame: 2002-June 30, 2007

Responsible Party: Community Development Department



- H.I.1.5 Below Market Price (BMP) Program: Continue to implement the BMP Program in order to increase the number of affordable units in the community. Continue policy that BMP units are counted in addition to maximum density allowed on a site. Evaluate changing eligibility criteria to very low and low-income households.

Time Frame: 2002-June 30, 2007

Responsible Party: Community Development Department

- H.I.1.6 Second Unit Program: Revise existing second unit program to encourage the production of more second units on residential parcels. Evaluate existing parking, square footage, transfer of credits, and other requirements to determine whether revisions would encourage the development of more second units.

Time Frame: 2002-2003: Evaluate and Revise Program

2002-June 30, 2007: Implement Program

Responsible Party: Community Development Department

- H.I.1.7 Consistency with Housing Element/Community Benefit: Continue policy that all approvals of residential developments of three or more units must include a finding that the proposed development is consistent with the Town's Housing Element, and addresses the Town's housing needs as identified in the Housing Element. Further, review of potential developments shall include a determination that affordable units provided beyond the minimum BMP requirements are to be considered as a significant community benefit.

Time Frame: 2002-June 30, 2007

Responsible Party: Community Development Department



Development of affordable housing for lower and moderate income households

- H.I.1.8 Annual Housing Report: Prepare an annual housing report for the review of the Town Council including information on progress made towards achieving new construction need, affordable housing conserved/developed, effectiveness of existing programs and recommendations for improvement. Consult with non-profit providers, special need providers, and other community resources in preparation and evaluation of the report.

Time Frame: 2002-June 30, 2007
Responsible Party: Community Development Department

- H.I.1.9 Redevelopment Housing Set-Aside Funds/In-Lieu Fees: Develop a strategy for use of Redevelopment Housing Set-Aside funds and In-Lieu fees from the BMP Program. Consider the needs as identified in this Housing Element (e.g. Preservation of At Risk Units, Development of Units Affordable to Very Low and Low-Income Households, etc.) in the development of funding conditions and incentives.

Time Frame: 2002-January 2003: Develop Funding Strategy
2002-June 30, 2007: Implement Strategy
Responsible Party: Redevelopment Agency

- H.I.1.10 Mortgage Credit Certificate (MCC) Program: Continue to encourage Los Gatos households to participate in MCC and other financial assistance programs (e.g. Teacher Mortgage Assistance) provided in the County of Santa Clara.

Time Frame: 2002-June 30, 2007
Responsible Party: County of Santa Clara
Objective: Five households total assisted from 2002-2007

ISSUE: 2

Development of Affordable Housing for Lower and Moderate Income Households.

The most significant new construction need is housing for very low, low and moderate-income households. Of the 125 projected units needed, all of these units are estimated to be needed to be affordable to very low and moderate-income households.

Goal:

- H.G.2.1 Preserve existing residential opportunities and encourage additional residential use that is compatible with neighborhood and community.

Policies:

- H.P.2.1 Encourage the maintenance and improvement of existing housing units.
H.P.2.2 When evaluating new developments, evaluate the impact of development on the Town's jobs/housing ratio.
H.P.2.3 Encourage residential construction that promotes energy conservation.

Implementing Strategies:



H.I.2.1 Housing Conservation Program: Continue to provide Housing Conservation Program assistance to property owners to improve their housing units. Undertake the following actions to increase program productivity:

- A. Conduct a housing condition survey in neighborhoods with older housing stock.
- B. If needed, redesign program goals and objectives to respond to results of housing condition survey.
- C. Redesign marketing materials and aggressively market program to potential applicants.

Time Frame: 2002-2003: Conduct housing condition survey
2002-June 30, 2007: Implement program
Responsible Party: Community Services Department
Funding Source: CDBG Funds/Redevelopment Funds
Objective: 10-20 Units Total Rehabilitated from
2002-2007

H.I.2.2 Home Access Program: Continue to support countywide programs, such as the Home Access Program, that provide assistance with minor home repairs and accessibility improvements for lower-income households.

Time Frame: 2002-June 30, 2003
Responsible Party: County of Santa Clara

H.I.2.3 Jobs/Housing Balance: As part of the development review process, evaluate applications that have significant number of jobs or housing in regard to the potential impact on the Town's jobs/housing ratio. The objective is to maintain the Town's 2002 ratio of 1.5 jobs per household/housing unit. However, the jobs/housing balance shall not be used as a criteria for denying projects that include affordable housing opportunities.

Time Frame: 2002-June 30, 2007
Responsible Party: Community Development Department
Objective: Maintain 1.5 jobs to household/housing unit
ratio

H.I.2.4 Energy Conservation Opportunities: Continue to enforce Title 24 requirements for energy conservation and evaluate utilizing some of the other suggestions as identified in Chapter 9 of the Housing Element technical Appendix to encourage developers to exceed Title 24 requirements.

Time Frame: 2002-June 30, 2007
Responsible Party: Community Development Department

H.I.2.5 Weatherization Program: Support the weatherization program administered countywide by the county of Santa Clara. This program assists the very low-income homeowners with weatherization improvements to their home.

Time Frame: 2002-June 30, 2007
Responsible Party: Community Development Department



Preserve affordable housing stock

ISSUE: 3

Conservation of existing housing units.

The Town's existing stock of mobile homes and rental units provides an important resource for affordable housing. These units need to be preserved. Further, rehabilitation assistance needs to continue to be made available to property owners of units occupied by lower income households. The Town also needs to conduct a housing condition survey in the older areas of the community in order to determine the extent of need for rehabilitation assistance.

Goal:

H.G.3.1 Preserve the existing affordable housing stock

Policy:

H.P.3.1 Support preservation and conservation of existing housing units that provide affordable housing opportunities for Town residents and workers and strive to ensure that at least 30% of the housing stock are rental units.



Implementing Strategies:

H.I.3.1 Mobile Home Preservation: Preserve mobile homes (150 total) and adopt mobile home park conversion policies to preserve existing housing opportunities and to ensure the provision of affordable units similar to the existing park's unit capacity.

<u>Time Frame:</u>	2002-2007: Implement policies
<u>Responsible Party:</u>	Community Development Department
<u>Objective:</u>	Preserve existing 150 mobile home units

H.I.3.2 Preserve "At Risk" Affordable Housing Units: Monitor the 220 publicly assisted, multi-family housing units in the Town to ensure that they retain their affordability status. These developments include Villa Vasona, The Terraces, Open Doors, Los Gatos Four Plex, 95 Fairview Plaza and the Los Gatos Creek Village Apartments. Develop a strategy to retain affordability of units at Villa Vasona, which is scheduled to have its Section 8 assistance expire in November 2004. A notification procedure for tenants that will be developed cooperatively between the Town and the property owner shall be included in the strategy.

<u>Time Frame:</u>	2002-June 30, 2007: Monitor Affordability Status of Developments September 2003: Complete strategy to retain affordability status of Villa Vasona
<u>Funding Sources:</u>	Redevelopment Housing Set-Aside Funds, CDBG and/or HOME Funds, other Federal and State Funding Resources
<u>Responsible Party:</u>	Community Development Department and Redevelopment Agency



Housing Opportunities

- H.I.3.3 Rental Housing Conservation Program: The Town's existing multi-family, privately owned rental units provide housing opportunities for households of varied income levels. The Town will continue to implement Section 29.20.155 of the Zoning Ordinance that addresses conversions of residential use, Specifically, Section 29.20.155(a)(2) that requires that any proposed conversion satisfy the housing goals and policies as set forth in the General Plan.

Time Frame: 2002-June 30, 2007: Continue Implementation of Conversion Policies
Responsible Party: Community Development Department

ISSUE: 4

Preservation of "At Risk" Affordable Units.

A significant issue in the 2002-2007 time frame is the expiration of Section 8 subsidies for the Villa Vasona Development. This 107-unit development provides affordable housing to elderly and disabled households. The Town needs to monitor the potential expiration in 2004 of these subsidies and, if needed, develop a strategy to preserve the affordability of the units.

Goal:

- H.G.4.1 Ensure that all persons have equal access to housing opportunities.

Policies:

- H.P.4.1 Support housing programs that protect individuals' rights.
 H.P.4.2 Continue to provide assistance to service providers of special needs households such as seniors, disabled and homeless.

Implementing Strategies:

- H.I.4.1 Rental Dispute Resolution Program: Continue the administration of the Rental Dispute Resolution Program and consider revisions as necessary to make the program as effective as possible in protecting both tenants and landlords.

Time Frame: 2002-2007
Funding Source: Fees
Responsible Party: Community Services Department

- H.I.4.2 Santa Clara County Fair Housing Consortium: Support the efforts of the Santa Clara County Fair Housing Consortium, which includes the Asian Law Alliance, Mid-Peninsula Citizens for Fair Housing, Project Fair Sentinel, and the Mental Health Advocate Program. These organizations provide resources for Los Gatos residents with tenant/landlord, housing discrimination and fair housing concerns.

Time Frame: 2002-2007
Responsible Party: County of Santa Clara Urban County Funds
Funding Source: Santa Clara County Fair Housing Consortium



H.I.4.3 Support for Non-Profit Affordable Housing Providers: Recognize and support the efforts of non-profit affordable housing organizations that provide housing services in Los Gatos. Encourage the participation of these providers in developing housing and meeting the affordable housing needs of Los Gatos households. Non-profit groups will be invited to work cooperatively with the Town in developing strategies and actions for affordable housing

Time Frame: 2002-2007

Responsible Party: Community Development Department

H.I.4.4 Homeless: Increased Range of Housing Opportunities: Continue to support the County of Santa Clara's "Continuum of Care" plan to provide housing opportunities for homeless households' including emergency shelter, transitional housing and permanent affordable housing opportunities.

Time Frame: 2002-2007

Responsible Party: Community Development Department

H.I.4.5 Disabled: Remove Constraints and Encourage Accessible Housing in Residential Developments: Continue to require "universal design" features in all new residential developments. Adopt Reasonable Accommodations Regulation that will identify those zoning/land use applications where reduced processing time and streamlined procedures would be allowed.

Time Frame: 2003-2004: Adopt Reasonable Accommodations Regulation

Responsible Party: Community Development Department

ISSUE 5:

Management of Housing Programs and Funds.

In addition to implementing the identified goals, policies and programs in this element, the Town also has existing programs that need to be managed (e.g. Below Market Price Program) and a significant source of housing funds that needs to be expended (e.g. Redevelopment Housing Set-Aside funds and In-Lieu funds). The Town needs to ensure that there is adequate staff support to manage and implement the proposed 2002-2007 housing strategy.

Goal:

H.G.5.1 Provide adequate management and staffing of affordable housing funds and programs.

Implementing Strategy:

H.I.5.1 Housing Management: Consider additional staff support for the management and planning of housing programs and funding for the Town.

Time Frame: 2002-2003: Develop recommendation and plan for additional staff support for housing.

Funding Source: Redevelopment Housing Set Aside Funds, Urban County funds

Responsible Party: Community Development Department and Redevelopment Agency

